**INTRODUCTION:**

Advertising is the promotion of a company's products and services carried out primarily to

1) Create awareness i.e. generate cognitive response

2) Create affective response

3) Generate purchase/repurchase of the products and services. It is also done to build a brand identity and communicate changes in old products or introduce new product/services to the customers. Advertising has become an essential element of the corporate world and hence companies allot a considerable amount of resources towards their advertising budget. As there are different objectives for advertising there also exists different media to advertise in. These can be classified mainly as

1. Print advertising:
   Advertising in this medium is most common and extensively used. Newspaper and magazines are the names that come to mind when we think of this medium. There are other forms of print media available in form of fliers, ads in telephone directories etc.

2. Broadcast advertising:

   This includes various broadcasting media like television, radio and internet. The most common is television. The cost involved is very high and it depends upon the programme and the time slot one advertises in. With the advent of FM radio the radio is fast becoming a medium for advertising. The popularity of the Internet as a new media channel has exploded in recent years, attributed mostly to faster, more reliable and more affordable broadband connections.

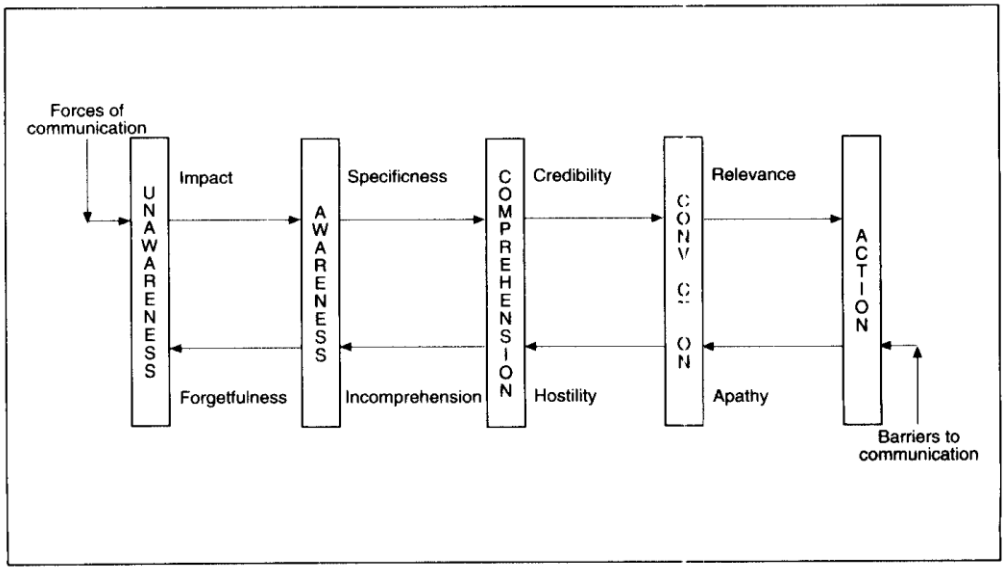
3. Outdoor advertising:
   As the name suggests this is an open air advertising. It comprises of hoardings, kiosks, and billboards. Today the same has been extended to advertising on buses, trains, traffic signals packaging materials etc.

Each medium has its own advantages and disadvantages; the choice of the media depends upon the advertising objective and on the budget available. Ideally, advertising should not cost you money. Unless your ad campaign is generating more than it is costing, there is something wrong. Of course you

cannot expect great results overnight. By careful evaluation of the marketplace with regard to his product or service, one can target his audience with cost effective advertising.
The question of media selection is also dependent on the effectiveness of a particular medium. There are various models available to measure media effectiveness.
Many advertising models were developed during the early 1960s, mostly tailored on the Lavidge and Steiner hierarchy of effects model. The said model proposes that consumers while arriving at a purchase decision for a product, moves through a series of stages of becoming me aware, collecting knowledge, liking, preference, conviction and finally making a purchase. This model recognizes three distinct stages of response to advertising:
(1) Cognitive stage: awareness and knowledge.
(2) Affective stage: liking and preference.
(3) Behaviour stage: conviction and purchase.

For audience who are exposed to visual and/or audio advertising would reach the cognitive stage, of those few will achieve the affective stage and even less sill reach the behaviour stage.

Following diagram shows a process flow of how advertising leads to final process of action from the stage of unawareness. Similarly barriers to communication can lead to the stage of unawareness and hence a continuous effort has to be put in to have the desired action.




(European journal of marketing, vol.27, no. 10 ,1993)

Advertising effectiveness models developed are on two distinctly different courses: The traditional econometric approach and the time series analysis approach. Leone summarises the position as,
Till recent years the two groups were viewed as competitors, the pure econometricians were concerned with the relationship between variables and the models constructed were on the basis of some economic theory, whereas the time series analysts initially used unconstrained univariate models on a single series and investigated primarily the time structure. With the advent of multivariate time series analysis, some econometricians have realised that better models can be made by combining the better aspects of both the models and integrating the two approaches.
Over a period there has been lot of work done on this end and various models and theories evolved. Just to list a few of these developments,

1. Transfer function modeling as developed by Box and Jenkins,
2. Bendixen developed a modeling technique which combined both these time series approaches and the generalized econometric model form proposed by Weiss and Windall.
3. Rothschield developed the consumer involvement theory which suggests that the products and services lie on continuum of consumer interest.

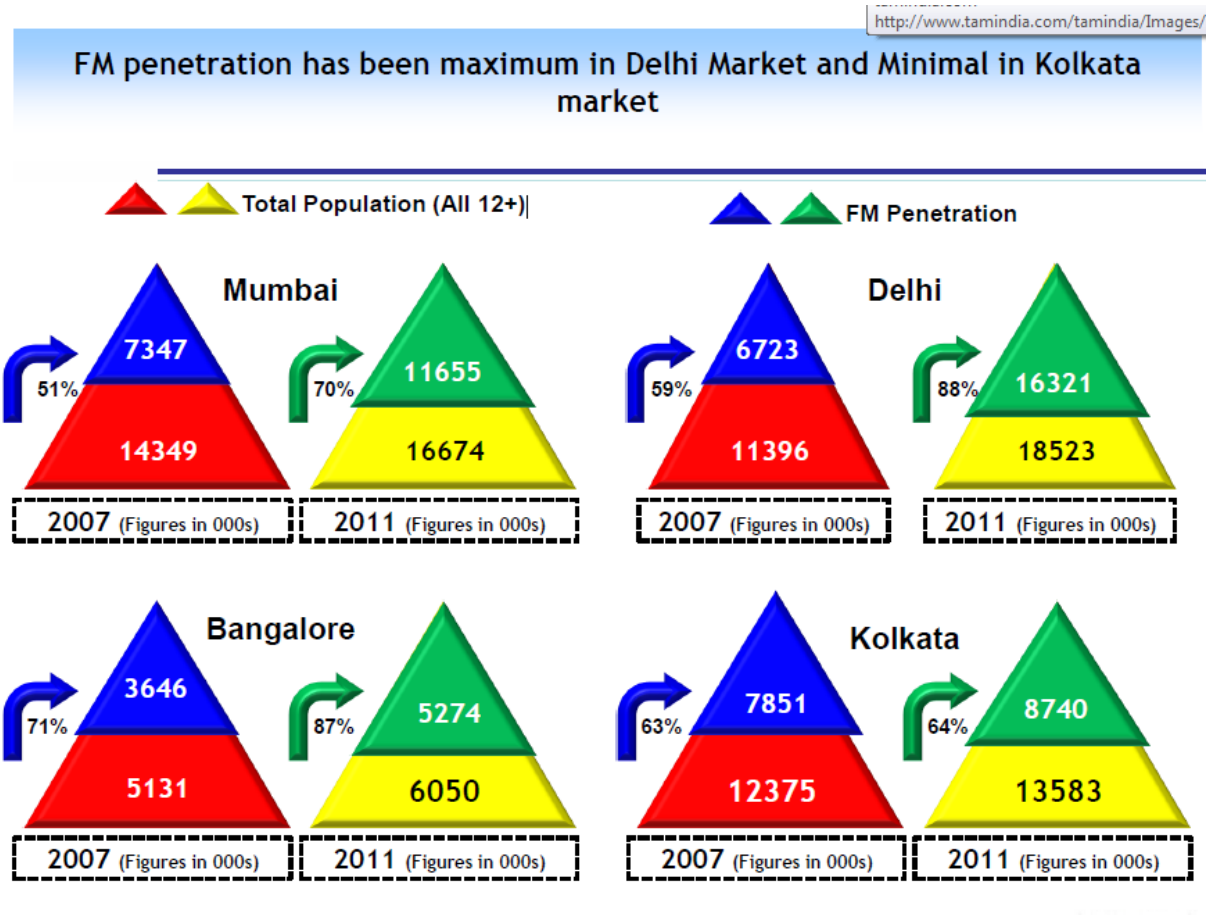
**Radio as a medium for advertising:**

Despite deep penetration of Television, Internet and other sources of information, Radio, maintains its unique position as the companion of common man worldwide. One can enjoy it even if he can't read; he's on the move, while shaving, in the rest room, lying quietly in the bed with closed eyes- practically anytime anywhere. It's affordable, within reach and very participatory. The low production cost, the simple hardware/expertise required and the proximity of radio stations make it very people friendly. In a multi-lingual, multi cultural and geographically varied country like India, Radio has a very special place and All India Radio alone since 1936 and with fellow private broadcasters since 2001 is catering to the diverse needs of the Indian population. (Singh and Bhatnagar, 2007)

It is ironical that while India has the second highest penetration of Cable and Satellite(C&S) homes in the world, radio has suffered from shunted growth. This can be attributed to misdirected policies by government, which did not give

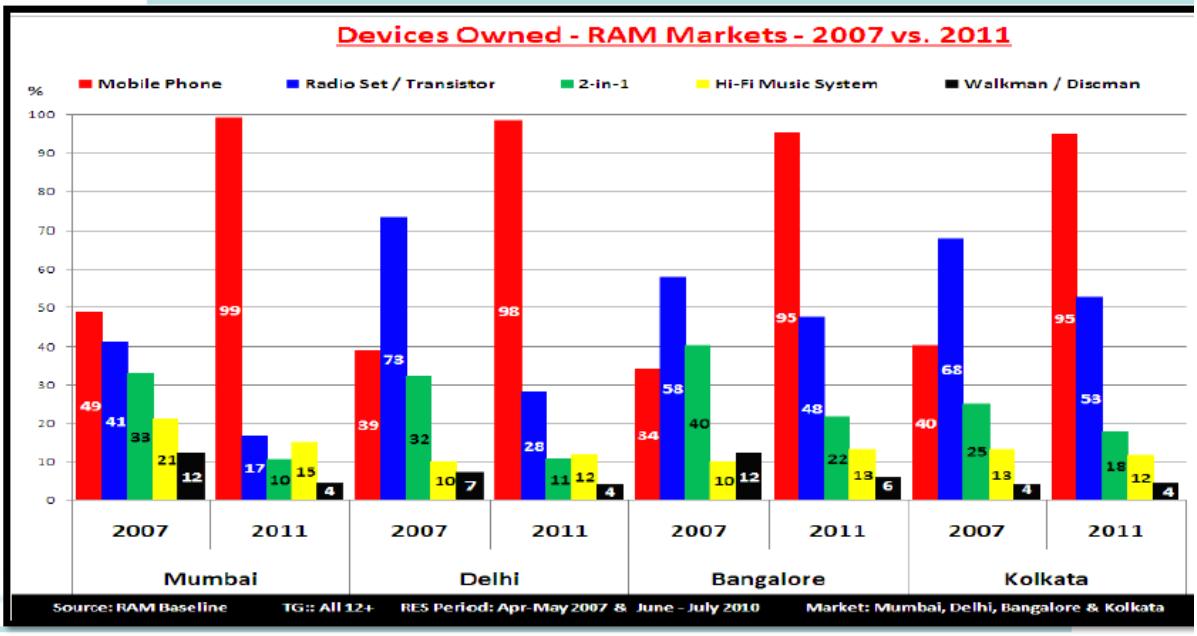
enough prominence to radio as a rich medium for entertainment and also for community development. Recently though, government has liberalized radio broadcast and this has resulted in most media houses diversifying to offer radio services.

The following image shows the impact of how the FM radio has penetrated into Indian metros.

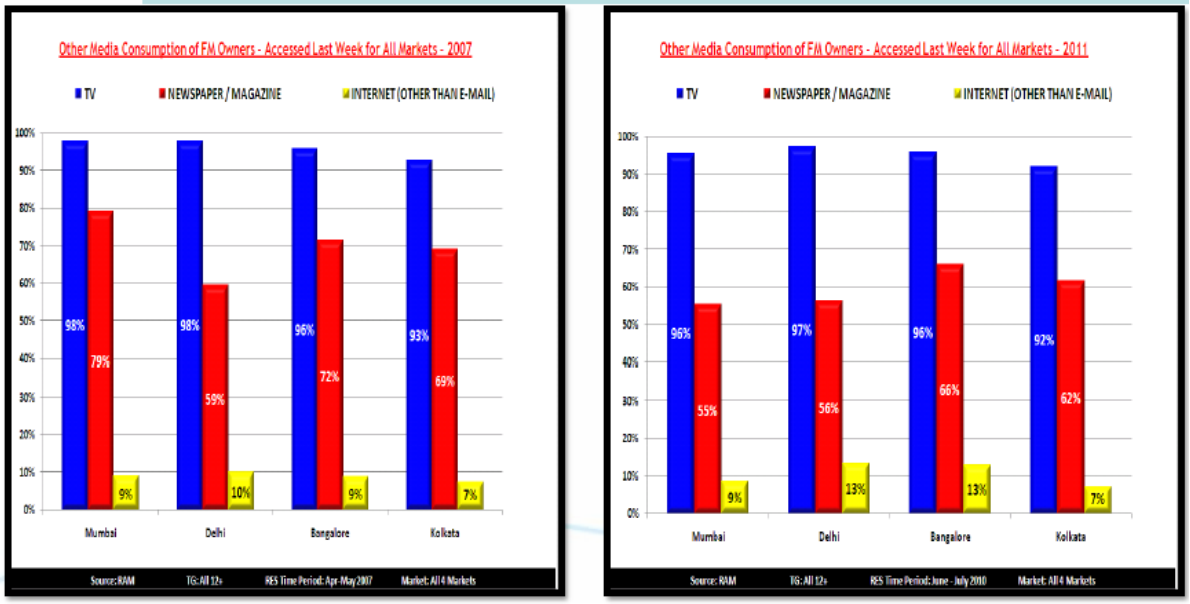



Following image indicates that with the advent of FM on mobile phones the penetration of FM radio has increased.

Mobile Phones ownership among the FM owners has significantly increased whereas other radio devices like radio sets, 2 in 1, etc have witnessed a fall.




FM Owners duplication with TV has been maximum and access to Newspaper / Magazine in last one week has seen a fall across all RAM markets




(radio establishment survey 2011, tamindia.com)

Radio industry grew at 15% to reach Rs. 11.5 billion compared to 10 billion in 2010.

Ad rates in metro increased by 7-10 percent while for smaller cities it increased 15-18 percent.

Though the Indian Readership Survey (IRS) states that the listenership for radio declined in 2010-11, the industry believes that with 40% of mobile phones in the country having in built FM radio and car sales going up, 30% of radio listenership happening out of home and thus the drop in listenership unlikely.

Radio's share in the advertising pie has grown from 3.8 in 2010 to 4 percent in 2011.

**NEED FOR STUDY**

General media research suggests that more educated audiences tend to be heavier users of print media, while less educated audiences tend to use the broadcast media more heavily (Faison, 1980; Katz, et al., 1973). Less emphasis has been put on research for examining the perceived usefulness of media, and usefulness of the advertising in that media. Katz, et al. (1973) found that not only was the amount of usage of radio and television closely linked, but perception of these media as useful was also strongly correlated. Although their findings suggest that audiences may be broadly classified as print or broadcast users, radio and newspaper usefulness is also strongly related may be because of their localised nature.

When we look at Media and Entertainment industry in India we find that the same, in 2011,has registered a growth of 12 percent over 2010, to reach INR 728 billon, says the FICCI-KPMG report. The growth trajectory is backed by strong consumption in Tier 2 and 3 cities, continued growth of regional media, and fast increasing new media business. Overall, the industry is expected to register a CAGR of 15 percent to touch INR 1,457 billion by 2016.

Advertising spends across all media accounted for INR 300 billion in 2011, contributing to 41 percent of the overall M&E industry's revenues. Advertising revenues witnessed a growth of 13 percent in 2011, as against 17 percent observed in 2010. (Source: http://www.kpmg.com/IN/en/Press%20Release/KPMG-FICCI-Frames-Press-release-2012.pdf, downloaded on 1.9.12)

Today, media planners are quite at loss as there is inadequate information on this medium. Information can be gathered by exploring other markets where

radio is a more established medium and then extrapolate the same to Indian markets.

The question haunting most advertisers and media planners is regarding the audience measurement that will be adopted for Radio. TAM India has started undertaking surveys but the same are still limited to the metros. As it is early days in India, station owners and advertising agencies on ad hoc basis are conducting research. We expect the trend to continue for some more time till significant advertising monies are committed on radio.

Extensive media effective study for radio has been carried out in U.K. and U.S.A., but there is paucity of literature in the Indian context.

**RESEARCH OBJECTIVES**

1. To measure consumer's perception towards various advertising media.

2. To measure the influence of the timings on positioning of commercial ads.

3. To study effectiveness of radio as a medium for advertising

**REASERCH PLAN**

A qualitative and a quantitative approach have been adopted for the study. In the first phase a qualitative approach was adopted. Extensive literature review was done, in depth interviews of knowledgeable people were done, and two focus group conducted. This helped in the understanding of the issues related to the topic and in the identification of variables.

In the second phase survey method was adopted. A structured questionnaire was developed, pretested and then administered to the target.

**SAMPLING PLAN**

**POPULATION :** radio listeners in Surat

**SAMPLE SIZE**: A sample size of 600 has been taken for the study.

**SAMPLING PROCEDURE:** Non probability- quota sampling procedure was adopted. Listeners from different educational institutions across Surat will constitute for youths. 30 students each from 10 institutes (300) will constitute

for youths. 30 respondents from 10 different localities (300) respondents other than youth were selected to make a sample size of 600.

**Tools for Analysis**:

Statistical tools used are:
Factor analysis
Correlation analysis
Non parametric tests like
Mann Whitney Test
Kruskal Wallis Test
Wilcoxen signed Rank Test

**Limitations:**
1. Sample selected being non representative generalisation of results may not be possible.
2. The biasness of the respondents (tendency to give socially acceptable response) may affect the final inference.
3. Non response to certain questions may also affect the final result.

**Chapterization:**

**Chapter-I Introduction**

This chapter covers Types of Media, Radio as a medium in and outside India.

**CHAPTER - 2: LITERATURE REVIEW**

This chapter traces publications on history of Advertising, recent developments in advertising and radio history and trends, as also radio listenership in India and abroad.

**CHAPTER – 3 : RESEARCH METHODOLOGY ADOPTED FOR THE STUDY**

A) **Research Plan**

- **Research approach**:

In first phase a qualitative approach was adopted, and in the second a survey was conducted to identify the perceptions of the listeners towards various advertising media.

- **Data sources:**

Data was collected from secondary sources in form of publications of different advertising agencies, journals , E journals, and reports from media analysing agencies.

- **Research methods**

In order to select an appropriate method for data collection, one has to consider the following attention points from Brewerton & Millward (2001):

The method must be:

- Appropriate to one's research objective;
- Able to produce a form of data appropriate to testing
- Practicable given time, resource constraints and the feasibility of using it within a chosen or given context;
- Adequately piloted;
- Ethically sound;
- Agreed and accepted by one's supervisor;
- Used appropriately, in the context of its original formulation and development;
- One that the researcher feels comfortable with.

Keeping above points in mind 5 sets of questions were incorporated in the questionnaire.
1. Demographics,
2. Radio listening pattern
3. Acceptance of various medium of advertising with respect to perception towards advertisement released.
4. Buying behaviour
5. Personality traits.

**Sampling plan**

Non probability quota sampling procedure was used to form the sample.
The total population was divided into youths, housewives and professionals.

1. 300 students were selected from 10 institutes, taking 30 students from each institute.
2. 300 respondents other than students were selected from 10 different localities, taking 30 respondents from each locality.

**Limitations:**

1. Sample selected being non representative generalisation of results may not be possible.
2. The biasness of the respondents (tendency to give socially acceptable response) may affect the final inference.
3. Non response to certain questions may also affect the final result.

**Chapter-4:**

Incorporates analysis and findings for the three objectives namely,

- To measure consumer's perception towards various advertising media.

Test used are:

1. Factor analysis
2. Correlation analysis
3. Non-Parametric tests (Wilcoxen signed Rank Test)

- To measure the influence of the timings, positioning of commercial ads on radio, on consumers.

Test used are:

1. Non parametric tests (Kruskal Wallis Test)
2. Correlation analysis

- To study effectiveness of radio advertising

Test used are:

1. Factor analysis
2. Non Parametric test (Mann Whitney Test)

**Chapter – 5:**

This is the concluding chapter, which incorporates the summary of the major findings. The chapter also contains a section on managerial implications apart from identifying the future areas of research.

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